

VZCZCXRO9396  
OO RUEHGH  
DE RUEHUL #0732/01 1280754  
ZNR UUUUU ZZH  
O 080754Z MAY 09  
FM AMEMBASSY SEOUL  
TO RUEHC/SECSTATE WASHDC IMMEDIATE 4261  
RUCPDO/USDOC WASHDC 8520  
RUEATRS/DEPT OF TREASURY WASHINGTON DC  
RUEAIIA/CIA WASHINGTON DC//DDI/OEA//  
RHHMUNA/USCINCPAC HONOLULU HI//FPA//  
RUEKJCS/SECDEF WASHINGTON DC  
RUEKJCS/JOINT STAFF WASHINGTON DC  
RUEKDIA/DIA WASHINGTON DC//DB-Z//  
RUEHMO/AMEMBASSY MOSCOW 9685  
RUEHBJ/AMEMBASSY BEIJING 5828  
RUEHKO/AMEMBASSY TOKYO 5919  
RUEHGH/AMCONSUL SHANGHAI 0663  
RUEHSH/AMCONSUL SHENYANG 4347  
RUEHIN/AIT TAIPEI 3328  
RUEHGP/AMEMBASSY SINGAPORE 6528  
RUCNDT/USMISSION USUN NEW YORK 0940  
RUEHGV/USMISSION GENEVA 2278  
RUEHLO/AMEMBASSY LONDON 1352  
RUEHFR/AMEMBASSY PARIS 1961

UNCLAS SECTION 01 OF 05 SEOUL 000732

SIPDIS

E.O. 12958: N/A  
TAGS: [PREL](#) [PGOV](#) [MARR](#) [ECON](#) [KPAO](#) [KS](#) [US](#)  
SUBJECT: SEOUL - PRESS BULLETIN; May 8, 2009

TOP HEADLINES

Chosun Ilbo  
Prosecution Secures "Park Yeon-cha List" Containing Names of Ruling  
Camp Officials and Senior Prosecutors  
Who Allegedly Received Money from Park

JoongAng Ilbo, All TVs  
New Information that Taekwang Industrial CEO Park Yeon-cha Gave 900  
Million Won to Chun Shin-il, a Close Friend of President Lee,  
Shortly Before 2007 Presidential Election

Dong-a Ilbo  
Chun Shin-il Suspected of Tax Evasion

Hankook Ilbo  
Prosecutors Raid Home and Offices of  
President Lee's Close Friend Chun

Hankyoreh Shinmun  
Prosecutors Obtain Evidence that Chun Received Money  
from Park in Return for Helping Avoid Tax Probe into Park's  
Companies

Segye Ilbo  
"Economic Recovery May Still Be Far Away"  
ROKG Puts the Brakes on Rash Optimism

Seoul Shinmun  
Chun Shin-il Likely to be Summoned Early Next Week

DOMESTIC DEVELOPMENTS

The Chief ROK Delegate to the Six-Party Talks, Wi Sung-lac, said in  
a recent interview with the Financial Times that North Korea-China  
talks could be useful if they lead to the resumption of the  
deadlocked Six-Party Talks. (JoongAng)  
There is reportedly confusion within the USG and the ROKG,  
respectively, over Seoul's aid for Afghanistan following last  
month's visit to Seoul by U.S. Special Envoy to Afghanistan and

Pakistan Richard Holbrooke. The State Department believes that Ambassador Holbrooke fully delivered Washington's needs to the ROK, while the Defense Department is displeased that Ambassador Holbrooke did not stress the need for Seoul to send troops to the war-torn country. Also within the ROKG, Foreign Ministry officials think that it is sufficient for Seoul to expand its personnel and material aid to Afghanistan without redeploying troops, but the Blue House and the Defense Ministry think otherwise. (Chosun)

The ROKG will likely propose a second round of government-level talks with North Korea soon over the jointly-run Kaesong Industrial Complex. If the North accepts the proposal, the talks are expected to take place as early as next week. (JoongAng, Dong-a, Hankook, Hankyoreh, Segye, Seoul, all TVs, Pressian)

The ROK and the U.S. will hold their first trade ministerial meeting since the launch of the Obama Administration in Washington on May 14. The meeting will likely be a "watershed" for the prompt ratification of the KORUS FTA. (Hankook, all TVs)

#### INTERNATIONAL NEWS

-----  
According to a May 7 Radio Free Asia (RFA) report citing a senior U.S. official, Washington is considering a new format for multilateral talks with North Korea unless the North returns to the Six-Party Talks. (Dong-a)

SEOUL 00000732 002 OF 005

#### MEDIA ANALYSIS

##### ----- -North Korea

-----  
Moderate Hankook Ilbo and Seoul Shinmun gave play to yesterday's meetings in Beijing between U.S. Special Representative for North Korea Policy Stephen Bosworth and Chinese officials, including Foreign Minister Yang Jiechi and Chief Delegate to the Six-Party Talks Wu Dawei. The newspapers reported that China discussed (with Ambassador Bosworth) sending a "ministerial-level" envoy to North Korea during yesterday's meetings in order to persuade Pyongyang to return to the Six-Party Talks.

Conservative Dong-a Ilbo and state-run KBS TV replayed a May 7 Radio Free Asia (RFA) report that Washington is considering a new format for multilateral talks with North Korea unless the North returns to the Six-Party Talks. A senior U.S. official was quoted by RFA as mentioning a need to seek a new form of multilateral talks, rather than launching bilateral talks with Pyongyang.

Right-of-center JoongAng Ilbo carried a quote from the Chief ROK Delegate to the Six-Party Talks, Wi Sung-lac, who said in a recent interview with the Financial Times that North Korea-China talks could be useful if they lead to the resumption of the deadlocked Six-Party Talks.

##### ----- -Aid to Afghanistan

-----  
Conservative Chosun Ilbo reported from Washington that there is confusion within the USG and the ROKG, respectively, over Seoul's aid for Afghanistan following last month's visit to Seoul by U.S. Special Envoy to Afghanistan and Pakistan Richard Holbrooke.

The newspaper reported that the State Department believes that Ambassador Holbrooke fully delivered Washington's needs to the ROK but that the Defense Department is displeased that Ambassador Holbrooke did not stress the need for Seoul to send troops to the war-torn country. Also within the ROKG, Foreign Ministry officials think that it is sufficient for Seoul to expand its personnel and material aid to Afghanistan without redeploying troops, but the Blue House and the Defense Ministry think otherwise, according to the newspaper report.

## FEATURES

WHAT DID HOLBROOKE SAY?... CONFUSION WITHIN THE USG AND THE ROKG  
OVER SEOUL'S AID TO AFGHANISTAN  
(Chosun Ilbo, May 8, 2009, Page 5)

By Washington Correspondent Lee Ha-won

There is reported confusion within the ROKG and the USG over whether Seoul will redeploy its troops to Afghanistan following last month's visit to the ROK by U.S. Special Envoy to Afghanistan and Pakistan Richard Holbrooke (68). During meetings with President Lee Myung-bak and other ROKG officials, Ambassador Holbrooke successfully conveyed (Washington's) hope for the ROK to take a more active role in Afghanistan but reportedly failed to provide precise details.

Even in the Obama Administration, the Departments of State and Defense have different interpretations on the matter. The Department of State believes that Holbrooke satisfied Washington's needs by delivering a message which solicits material aid from the ROK.

Pentagon officials, however, who want the ROK to provide a "substantial" troop presence, are displeased that Holbrooke did not stress the need for Seoul to send troops to the war-torn country. They say that the possible miscommunication could give the ROKG the

SEOUL 00000732 003 OF 005

wrong impression that Washington is not interested in Seoul's troop redeployment.

A source in Washington noted, "Apart from divergent views of Holbrooke's work between the Departments of State and Defense, there is criticism that Holbrooke is acting on his own authority."

An influential source said that even ROKG officials have different interpretations about Holbrooke's message. The foreign ministry thinks that it is sufficient for Seoul to expand its personnel and material aid to Afghanistan without redeploying troops, but the Blue House and the defense ministry think otherwise. Observers say that this is why Deputy Foreign Minister Lee Yong-joon recently visited Washington D.C. for a separate meeting with Ambassador Holbrooke. Holbrooke makes independent decisions about Afghan and Pakistan issues, top priorities for U.S. President Barack Obama.

(Ambassador Holbrooke's) office with 25 staff members takes up almost an entire floor of the State Department building. This stands in sharp contrast with the fact that U.S. Special Representative for North Korea Policy Stephens Bosworth has only one staff member.

The New York Times recently reported on the worriment felt by other diplomats (at the State Department) about Holbrooke's return to the diplomatic arena, with The Washington Post going so far as to write, "The Ego has landed." Holbrooke's personality, which is as strong as his driving force, has often stirred up controversy even among U.S. diplomats.

Former GNP Leader Park: "Sending Special Envoy to Pyongyang Is Not a Solution"  
(Daily Chosun, May 7, 2009)

Former ruling Grand National Party leader Park Geun-hye made clear her opposition to the dispatch of a special envoy to Pyongyang to resolve the North Korean nuclear issue.

According to her close aide Rep. Lee Jung-hyun, during a question and answer session with reporters after her lecture on "Korea and the U.S. in a Rapidly Changing World" at the Walter H. Shorenstein Asia-Pacific Research Center of Stanford University on May 6 Park said, "A personal by me will not resolve the issue.".

Park stressed, "(The dispatch of a special envoy to Pyongyang) is possible only when the North has the intention or willingness to meet a person sent by the ROKG and discuss problems on the Korean Peninsula."

Below are excerpts from the question and answer session with Park.

Q. What direction should the Obama Administration take on North Korea?

"In my opinion, the Obama Administration seems to be deeply thinking about how to resolve this (nuclear) issue, rather than presenting any alternative. I told (Washington) that it should not go the same way as before. Whenever a crisis came up, (the U.S.) had dialogue (with the North) and gave rewards (to the North), and in the meantime, the North continued to develop nuclear weapons. To prevent a repeat of this pattern, (the Obama Administration) should learn from the past.

(The Obama Administration) should clarify the three goals. First, it should be unwavering in the principle that there should no nuclear weapons on the Korean Peninsula. Second, it should make clear that the vicious cycle (of North Korea's actions )must be broken. Third, it should help the North become a responsible member of the international community."

Q. North Korea rejected the resumption of the Six-Party Talks. Do you have any intention to visit Pyongyang and help overcome the issue?

SEOUL 00000732 004 OF 005

"I do not think that a personal by me will resolve the issue. Recently, there was talk of a state-level envoy tasked with a special mission, but that issue can be discussed only when the North has the intention or willingness to meet a person sent by the ROKG and discuss problems on the Korean Peninsula. The issue will not be resolved simply by taking the unilateral approach of sending an envoy to the North."

Q. These days, there is much concern about the U.S.-ROK alliance, and anti-U.S. sentiment is spreading among the ROK people. What do you think anti-U.S. sentiment in the ROK originates from, and how do you think we should respond to it?

"As I briefly mentioned during the speech, there have been several uncomfortable, embarrassing incidents (in U.S.-ROK relations). Despite that, the relationship will not unravel easily, considering that the two blood allies share the same values and fought alongside in many wars. I think that under the current administration, the relations are being restored. I believe that anti-U.S. sentiment is the same in every nation. In a free state, we have this kind of person or that kind of person. Their thoughts sometimes emerge to the surface or sometimes subside beneath it through government policies, and I do not think that anti-U.S. sentiment is especially deep-rooted (in ROK society.)

I am sure that the beef issue is not at all related to anti-U.S. sentiment. There may have been some people who tried to use the issue to fuel anti-U.S. sentiment. However, (many people) simply distrusted (U.S.) beef imports because the ROKG imported it without giving a sufficient enough explanation (as to why they resumed imports in spite of the perceived health risk by the certain members of the public). It sparked public anxiety over food. People want to eat safe food. The beef controversy is attributable to the absence of explanations and procedures, and it has never been about anti-U.S. sentiment.

The FTA issue is also unrelated to anti-U.S. sentiment. The two nations signed the deal because it is beneficial to each other, and therefore, it is not related to anti-U.S. sentiment. If the ROK had opened its beef market to other nations without sufficient explanation or appropriate procedures, the people would have felt uneasy, too."

Q. You said that the vicious cycle (of North Korea's actions) must

be stopped. However, while the nuclear crisis is related to peace on the Korean Peninsula, rewards for the North are related to humanitarian assistance. You also said that we should lead the North to become a responsible member (of the international community). Do you have any specific measures for that?

"The issue of providing rewards to the North is a little bit different from the issue of humanitarian aid. In fact, when the North Koreans are in economic difficulty, not only the ROK but also other nations, including the U.S., are willing to help them on humanitarian grounds. However, as long as North Korea has nuclear weapons, it is impossible (to offer humanitarian aid.) I think that there is no way for the North to survive economically through humanitarian aid. In the past, the Soviet Union had a large number of nuclear weapons and missiles, but, in the end, it collapsed due to its economic difficulties. Likewise, as long as the North has nuclear weapons, no nation will invest in the North, and it is also impossible for the South to engage in economic exchanges with North Korea through extensive investment. Therefore, if the North continues to isolate itself from the whole world by possessing nuclear weapons and violating UNSC resolutions, it will be increasingly difficult for the North to get what it wants. Abandoning nuclear weapons is the only way for the North to receive humanitarian aid and make its people happy. (The nuclear issue) is not a matter to be resolved through humanitarian aid.

Q. Multilateralism in Northeast Asia is a very difficult thing. What do you think should be done to establish an organization like NATO in Northeast Asia for the resolution of the North Korean

SEOUL 00000732 005 OF 005

nuclear and other issues?

"What I was trying to say is that we should try anything, if not through NATO, to stop the vicious cycle and achieve North Korea's nuclear dismantlement. A non-aggression treaty would mean nothing if there is no trust. A mere scrap of paper like that would be useless. What I meant is that we should build trust and create an atmosphere in which a piece of paper is no longer necessary.

STANTON